

SMITH, COHEN & HORAN, PLC

ATTORNEYS AT LAW

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*ALSO LICENSED IN OKLAHOMA

April 11, 2011

Mr. Curt Grisham, JR
1 MERIWETHER POND
HARRISON, AR 72602

ccgrish@gmail.com

Mr. Curt Grisham, JR
P.O. Box 31546
San Francisco, CA 94131-0546

RE: ARKWOOD INC. SITE

Mr. Grisham, Jr.

Attached for ease of reference is my letter to your father dated September 14, 2010.

You were advised and presumably shown a copy of that letter by your father or the attorneys with whom you consulted last September. I was contacted by attorneys in Little Rock advising of your contact with them and subsequently their advice that you had not employed them to deal with the unauthorized contact the the agencies.

You and the other members of your family are bound by the terms of the Settlement Agreement, the Site Agreement, and the Consent Decree, all of which you have violated. Copies of those documents have been furnished to the representatives of ADEQ.

As you may or may not know, McKesson is billed for activities performed by the U.S. EPA and ADEQ. It will now seek reimbursement from you for all charges relating to your communication with the agencies and the April 12th meeting you have requested, including attorney's fees and Court costs for enforcement as a result of your latest violations of these Agreements.

If you are presently represented by counsel involving these matters, have your counsel contact me immediately. If not, govern yourself accordingly.



Yours very truly,

Don A. Smith

cc: Ms. JEAN MESCHER
CAROLE UNGVARSKY
DAWN GUTHRIE Guthrie@adeq.state.ar.us

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SEPTEMBER 14, 2010

MR. C.C. "BUD" GRISHAM
1 MERIWETHER POND
HARRISON, AR 72602

RE: ARKWOOD INC. SITE

Dear Mr. Grisham:

This letter is a follow up to Ms. Jean Mescher's APRIL 9, 2010 letter to you regarding the requirement to record a Deed Restriction ("Restriction") for the Arkwood Inc. property ("Property").

RECORDING THE DEED RESTRICTION.

Although Ms. Mescher of McKesson Corp. and you have agreed on the terms of the required Restriction, you have not yet caused it to be recorded in the office of the Circuit Clerk of Boone County, Arkansas at the Courthouse in Harrison, Arkansas as required and agreed.

Attached are the original and one copy of the final version of the Restriction to be recorded. As you are aware, Section xi.A of the Record of Decision ("ROD") for the Property required that a deed Restriction be recorded and to be reflected on the Property's title. Thus, if you fail to record the attached Restriction, you are subject to agency enforcement action for failing to comply with the ROD.

Additionally, the December 31, 1987 Settlement Agreement ("Settlement Agreement") between the Ormond Group and McKesson requires in Section 9.2, that you cooperate with McKesson and its counsel by, among other things, "(C) otherwise providing assistance as (McKesson) requests in connection with the site." This then is a follow up to McKesson's previous request that you cooperate with McKesson by recording the Restriction to be reflected on the Property's title. You are also reminded that you also have a contractual obligation to McKesson to record the Restriction.

Date 10-13-10
Time 1:44 PM
Initials

We ask that you execute and record the Restriction by September 30, 2010. Enclosed is an envelope in which to furnish to me a file marked copy reflecting the Book and Page Nos. Your failure to comply with the terms of the above identified documents authorizes McKesson to take further steps to insure recordation including seeking agency action. McKesson does not desire to initiate its available remedies to insure the recordation, but is prepared to do so. It can and will solicit agency enforcement action and can and will initiate its own breach of contract action to enforce the provisions of the Settlement Agreement, Section 9.3, where you "consented" to the granting of equitable relief in the form of an injunction compelling you to comply with McKesson's request.

You are also reminded that McKesson would be entitled to seek reasonable attorney's fees and the cost incurred in enforcing the terms and provisions of the Settlement Agreement. Further, the Ormond Group also agreed in the Site Agreement, Exhibit "2" to the Settlement Agreement, at Section 1, to "(C) permit ("McKesson")... to direct in its sole discretion the course of any investigation and cleanup (McKesson) deems appropriate or which is required." McKesson by this letter directs you to record the Restriction on the Property as a part of the cleanup activities on the Property. Again, McKesson has the right to commence litigation under the Site Agreement, and may recover all reasonable fees and costs incurred in doing so.

We urge your immediate cooperation in order that all parties may avoid further controversy and the awarding of remedies as set forth above.

CEASING UNAUTHORIZED AGENCY COMMUNICATIONS.

McKesson has now been advised that your son, Charles Curtis Grisham, Jr. has been communicating with both the Arkansas Department of Environmental Quality (ADEQ") and the United States Environmental Protection Agency ("U.S. EPA") regarding the Arkwood site. As you are aware, Section 9.2 (B) of the Settlement Agreement expressly provides that the Ormond Group shall cooperate with McKesson by, among other things, "not conferring with regulatory agencies... without (McKesson's) prior written permission." Neither you, the Ormond Group nor your son above identified has sought or obtained the consent of McKesson to the unilateral communications with ADEQ or U.S.EPA.

Your son's initial communications indicate his identification as a family member of the owners of the property. In later correspondence he attempts to identify himself as a concerned member of the public not subject to the Settlement Agreement. That appears to be a misrepresentation as he has indicated to McKesson in the past that he is a beneficiary of the Ormond Group

and has a financial interest in the site. Your son is clearly subject to and must abide by the Settlement Agreement Section 9.2 (B) which prohibits the type of communications in which he has now engaged with both ADEQ and U.S. EPA, without McKesson's prior consent. In order to avoid further unwarranted contact and communication by members of the Ormond Group, you are requested by McKesson to contact all members, beneficiaries or other agents of the Ormond Group to cease contact with ADEQ and U.S. EPA. If any of the members, beneficiaries or other agents of the Ormond Group have made contact with ADEQ and U.S. EPA they should write the agency or agencies advising that they are withdrawing the request for information with copies to this office and Ms. Mescher. Please furnish in writing to this office and Ms. Mescher a copy of your writing reflecting that all members, beneficiaries and other agents of the Ormond Group have been instructed as here outlined.

McKesson is prepared to enforce your contractual obligations and prior consent to the granting of such relief, obtain an injunction naming the members of the Ormond Group and seeking attorney's fees and costs incurred. The Settlement Agreement in Sections 9.2(B); 9.3 and 10.12 support the authority of McKesson to seek the relief here identified.

McKesson encourages your cooperation in order that the Restriction will be filed immediately and that the Ormond Group will withdraw any contacts presently made with ADEQ and U.S. EPA and will cease and desist in further communications with those agencies unless they have specifically requested and obtained permission from McKesson.

Yours very truly,



Don A. Smith

cc: Bill Doshier, ESQ.
Box 1797
Harrison, AR 72601

Ms. JEAN MESCHER